

# HOUSE BILL No. 1355

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-3-2-4.

**Synopsis:** Tax deduction for active duty military income. Provides that an individual who is serving on active duty in the armed forces of the United States is entitled to an adjusted gross income tax deduction equal to the entire amount of the income received by the individual for the individual's active duty service.

**Effective:** January 1, 2002.

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**Duncan**

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January 11, 2001, read first time and referred to Committee on Ways and Means.

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First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

## HOUSE BILL No. 1355

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 6-3-2-4 IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE JANUARY 1, 2002]: Sec. 4. **(a) Each taxable year, an**  
3 **individual who is serving on active duty in the armed forces of the**  
4 **United States, including the army, navy, air force, coast guard,**  
5 **marine corps, merchant marine, Indiana army national guard, or**  
6 **Indiana air national guard, is entitled to an adjusted gross income**  
7 **tax deduction equal to the entire amount of the income received**  
8 **during the taxable year by the individual for the individual's active**  
9 **duty service in the armed forces.**  
10 **(b) Each taxable year, an individual or the individual's surviving**  
11 **spouse is entitled to an adjusted gross income tax deduction for the first**  
12 **two thousand dollars (\$2,000) of income other than income received**  
13 **for active duty service, including retirement or survivor's benefits,**  
14 **received during the taxable year by the individual or the individual's**  
15 **surviving spouse for the individual's service in an active or reserve**  
16 **component of the armed forces of the United States, including the**  
17 **army, navy, air force, coast guard, marine corps, merchant marine,**



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1 Indiana army national guard, or Indiana air national guard. However,  
2 a person who is less than sixty (60) years of age on the last day of the  
3 person's taxable year is not, for that taxable year, entitled to a deduction  
4 under this section for retirement or survivor's benefits.

5 SECTION 2. [EFFECTIVE JANUARY 1, 2002] **IC 6-3-2-4, as**  
6 **amended by this act, applies only to taxable years beginning after**  
7 **December 31, 2001.**

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